

Information for Senate Natural Resources Committee

SB 241

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## Montana Board of Oil and Gas Conservation - Administrative Rules

36.22.1005 DRILLING WASTE DISPOSAL AND SURFACE RESTORATION

(1) The operator of a drilling well must contain and dispose of all solid waste and produced fluids that accumulate during drilling operations so as not to degrade surface water, groundwater, or cause harm to soils. Said waste and fluids must be disposed of in accordance with all applicable local, state and federal laws and regulations.

(2) When a salt-based or oil-based drilling fluid is used to drill a well located within a floodplain, as defined by ARM 36.15.101, or in irrigated cropland, drilling waste and produced fluids that accumulate during drilling operations must be disposed of off-site in a manner allowed by local, state, and federal laws and regulations unless an alternative on-site disposal method is approved in writing by the board administrator.

(3) The operator of a drilling well must construct, close, and restore any reserve pits in a manner that will prevent harm to the soil and will not degrade surface waters or groundwater. When a salt-based or oil-based drilling fluid is used, the reserve pit must be lined with a synthetic liner approved by the board administrator.

(4) Within 10 days after the cessation of drilling or completion operations, all hydrocarbons must be removed from earthen pits used in association with drilling or completion operations or such pits must be fenced, screened, and netted. Such pits that contain water with more than 15,000 parts per million total dissolved solids or salt-based drilling fluids must be fenced within 90 days after the cessation of drilling and completion operations.

(5) Earthen pits used in association with drilling and completion operations must not be used for the disposal of any additional fluids or materials after the cessation of drilling and completion operations.

(6) All earthen pits used in association with drilling and completion operations must be closed and the surface restored according to board specifications within one year after the cessation of drilling operations. Upon written application by the operator, an exception to the one-year pit closure requirement may be granted in writing by the board administrator upon a showing that:

(a) no dumping or disposal of waste or fluids in the pit will occur; and

(b) delayed closure of the pit will not present a risk of contamination to soils or water or a hazard to animals or persons. (History: Sec. 82-11-111, MCA; IMP, Sec. 82-11-123 and Sec. 82-11-124, MCA; Eff. 12/31/72; AMD, Eff. 7/5/75; AMD, 1992 MAR p. 654, Eff. 4/1/92).

36.22.1104 CONTROL AND CLEANUP (1) The owner or operator must promptly control and clean up any leak, spill, escape, or discharge, regardless of the amount of oil, produced water, water containing more than 15,000 ppm TDS, or gas involved. (History: Sec. 82-11-111, MCA; IMP, Sec. and 82-11-123, MCA; NEW, 1992 MAR p. 654, Eff. 4/1/92.)

36.22.1105 SOLID WASTE (1) Solid waste associated with oil and gas exploration or production activities must be disposed of according to all applicable local, state, and federal laws and regulations. (History: Sec. 82-11-111, MCA; IMP, Sec. 82-11-123, MCA; NEW, 1992 MAR p. 654, Eff. 4/1/92.)

36.22.1207 EARTHEN PITS AND OPEN VESSELS (1) Waste oil, oil sludge, tank bottoms, merchantable oil, petroleum products, hazardous wastes, or hazardous or deleterious substances must not be stored, disposed of, or retained in earthen storage pits or in open vessels.

(2) The owner or operator may make temporary use of an unlined earthen pit to retain oil or water in the event of an emergency or to retain fluids generated in recompletion or workover operation. The oil, water, and contaminants must be removed from the emergency, recompletion or workover pit within 48 hours and disposed of in a manner that will not degrade surface water or groundwater or cause harm to soils. An owner or operator must apply for and obtain a permit under ARM 36.22.1227 to construct or operate a permanent emergency pit. Repeated use of an earthen pit or pits to contain oil or water spills from an improperly or inadequately designed or maintained production facility does not constitute an "emergency" for purposes of this rule. (History: 82-11-111, MCA; IMP, 82-11-123, 82-11-124, MCA; Eff. 12/31/72; AMD, 1992 MAR p. 654, Eff. 4/1/92.)

36.22.1227 EARTHEN PITS AND PONDS (1) No person shall construct or use an earthen pit or pond in association with a production facility without first obtaining a permit from the board. Such earthen pits or ponds that exist prior to the effective date of this rule must be permitted or closed and restored according to board specifications within 12 months after the effective date of this rule.

(2) Earthen pits or ponds that receive produced water containing more than 15,000 parts per million (ppm) total dissolved solids (TDS) in volumes greater than five barrels per day on a monthly basis must:

(a) be constructed in cut material or at least 50 percent below original ground level;

(b) be lined with an impermeable synthetic liner, or, if the bottom of the pit or pond is underlain by porous, permeable, sharp, or jagged material, the pit or pond must be lined with at least three inches of compacted betonite prior to setting the impermeable synthetic liner;

(c) be constructed above the high water table;

(d) not be located in a floodplain as defined by ARM 36.15.101, or in irrigated cropland;

(e) be bermed or diked and have at least three feet of freeboard at all times between the surface of the water and the top of the banks, berms, or dikes of the pit or pond;

(f) be fenced, screened, and netted in accordance with ARM 36.22.1223; and

(g) not be used for disposal of hazardous wastes or hazardous or deleterious substances.

3) The board administrator may impose more restrictive earthen pit or pond construction or operation requirements as may be necessary to prevent degradation of water or harm to soils.

(4) Sections (2)(a) through (2)(f) of this rule do not apply to emergency pits as allowed by ARM 36.22.1207, nor does this rule apply to temporary earthen pits, including reserve pits, approved by the board under a valid permit to drill unless such pits remain open and unrestored for more than 12 months after the cessation of drilling or completion operations. (History: 82-11-111, MCA; IMP, 82-11-123, 82-11-124, MCA; Eff. 12/31/72; AMD, 1992 MAR p. 654, Eff. 4/1/92.)

36.22.1301 NOTICE AND APPROVAL OF INTENTION TO ABANDON REPORT (1) Before any work is commenced to abandon stratigraphic tests or any new well drilled in search of oil or gas, for salt water disposal, or for any other purpose related to oil field operations in which no casing has been run, other than surface pipe, the owner thereof shall give oral notice to and obtain approval from the Petroleum engineer or his authorized agent prior to commencing plugging operations. The Petroleum Engineer may send an authorized agent to the location specified to witness the plugging operation. Within 15 days after final abandonment, the owner shall submit to the Board on Form No. 2 a subsequent report of abandonment setting forth in such report the terms and conditions of the plugging and abandonment as approved orally by the Petroleum Engineer or his authorized agent.

(2) Before any work is commenced to abandon any well drilled in search of oil or gas, for salt water disposal, or for any other purpose related to oil field operations in which casing has been run, except surface pipe, the owner thereof shall give written notice to the Board on Form No. 2 setting forth the method of plugging, the depths and number of plugs, and any other information required under ARM 36.22.1305 and 36.22.1309. Upon approval of such notice by the Petroleum Engineer or his authorized agent, the owner may proceed with plugging and abandonment operations. The Petroleum Engineer may send an authorized agent to the location specified to witness the plugging operations. Within 15 days after final abandonment, the owner shall submit a subsequent report of abandonment as required by ARM 36.22.1309. (History: Sec. 82-11-111, MCA; IMP, Sec. 82-11-123 and Sec. 82-11-124, MCA; Eff. 12/31/72.)

36.22.1302 NOTICE OF ABANDONMENT The notice of abandonment required to be given to the surface owner by Section 82-10-401, MCA, shall be mailed to said surface owner or owners at their address as shown by the last completed assessment roll in the office of the County Assessor of the county in which the land is located. The notice shall be deemed complete when deposited in the U.S. mail with proper postage affixed. The regulation shall not be applicable to a dry hole drilled for any purpose whatsoever as such situation is

covered by other regulations of this Board. (History: Sec. 82-10-401, MCA; IMP, Sec. 82-10-401, MCA; NEW, Eff. 12/5/74.)

36.22.1307 RESTORATION OF SURFACE (1) The owner of any well drilled in search of oil and gas or for injection purposes or the driller of a stratigraphic test or core hole or seismographic shot hole shall, as soon as weather or ground conditions permit, upon the final abandonment and completion of the plugging of any well or after a seismographic shot hole has been utilized, restore the surface of the location to its previous grade and productive capability and take necessary measures to prevent adverse hydrological effects from such well or hole, unless the surface owner agrees in writing, with the approval of the board or its representative, to a different plan of restoration. (History: 82-11-111, MCA; IMP, 82-11-123, MCA; Eff. 12/31/72; AMD, Eff. 12/5/74; AMD, 1982 MAR p. 1398, Eff. 7/16/82; AMD, 2000 MAR p. 3542, Eff. 12/22/00.)